

## United Nations Global Issues

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# Food

For two decades, leading up to the millennium, global demand for food increased steadily, along with growth in the world's population, record harvests, improvements in incomes, and the diversification of diets. As a result, food prices continued to decline through 2000.

But beginning in 2004, prices for most grains began to rise. Although there was an increase in production, the increase in demand was greater.

Food stocks became depleted. And then, in 2005, food production was dramatically affected by extreme weather incidents in major food-producing countries. By 2006, world cereal production had fallen by 2.1 percent. In 2007, rapid increases in oil prices increased fertilizer and other food production costs.



As international food prices reached unprecedented levels, countries sought ways to insulate themselves from potential food shortages and price shocks. Several food-exporting countries imposed export restrictions. Certain key importers began purchasing grains at any price to maintain domestic supplies.

This resulted in panic and volatility in international grain markets. It also attracted speculative investments in grain futures and options markets. Perhaps as a result, prices rose even higher.

Subsequently, food commodity prices appeared to be stabilizing. But prices are expected to remain high over the medium to long term with devastating consequences for the world's most vulnerable populations.

To address the rising crisis, the Secretary-General proposed establishment of the Task Force, which in July

2008 published its Comprehensive Framework for Action. Composed of 20 key members of the UN system, it is chaired by Secretary-General Ban Ki-moon. The Vice-Chair is Jacques Diouf, Director-General of the Food and Agriculture Organization of the UN.

The dramatic rise over the past twelve months in global food prices poses a threat to global food and nutrition security ...

Before the rapid rise in food prices, some 854 million people [were] undernourished.

The crisis may drive another 100 million people into poverty and hunger.”

High-Level Task Force on the Global Food Security Crisis,  
“Comprehensive Framework for Action” (July 2008)

According to the Task Force, these high prices are bound to impact on the world’s ability to achieve the Millennium Development Goals. This applies in particular to those goals which set benchmarks for the reduction of poverty and hunger, child mortality, maternal health and basic education.

Its Comprehensive Framework lays out actions to meet the immediate needs of vulnerable populations. These include food assistance, nutrition interventions, development of safety nets, and changes in trade and tax policy. Other actions aim to build longer-term resilience into the global food and nutrition system. These include social protection measures, support for the local small farmer, and regulating the role of speculative investments in international food markets.

Among the members of the UN system most active in addressing this crisis along with the actions they are taking are the following:

The World Food Programme (WFP), through its Global Response to High Food Prices, is enhancing the availability of nutritious food products for young children, mothers and other particularly vulnerable groups. It is also including new and improved commodities in its food rations and promoting local production and the purchase of nutritious food and food products.

The World Bank Group's New Deal on Global Food Policy addresses the short, medium and long term, through such safety nets such as school feeding, food for work and conditional cash transfers. It promotes increased agricultural production, understanding of the impact of biofuels, and a reduction in distorting trade subsidies and barriers. Its new, \$1.2 billion rapid financing facility, the Global Food Response Program, speeds assistance to the neediest countries.

The Food and Agriculture Organization of the UN (FAO) directed nearly \$US 59 million in 2008 to assist the most severely affected countries during the planting seasons. FAO’s Initiative on Soaring Food Prices

involves providing policy analysis and assistance, and increased access to seed, fertilizer and tools. It fosters infrastructure rehabilitation, including through irrigation. It also deals with improving production, agricultural markets, reducing crop losses, disaster risk management, coordination support and technical assistance.

The International Fund for Agricultural Development ([IFAD](#)) had made available up to \$200 million, as a first step, to boost to agricultural production in affected countries. The money supports increased production by smallholder, family farmers. It helps provide credit to purchase agricultural inputs, for seed distribution, and for seed multiplication by farmers' organizations. IFAD provides assistance to help farmers increase staple food production, including basic grains and dairy products. It helps improve land fertility and sustainable land and water management.

The International Monetary Fund (IMF) has conducted a [comprehensive study](#) of the macroeconomic consequences of the food and fuel crisis. Its country teams offer policy advice based on country-specific diagnoses, on such issues as monetary policy, exchange rates and trade policies. The IMF offers countries assistance in the design and implementation of such policy responses as tax and tariff changes or transfer programs. The aim is to mitigate the impact on the poor of high food and fuel prices. It is also providing financial assistance to a number of low-income countries through its [Poverty Reduction and Growth Facility](#).

The World Health Organization (WHO) undertakes activities focused on the myriad [health and nutrition challenges](#) caused by the global food crisis in the short, medium and long term. It helps countries assess their health and nutritional situation, and monitors the most vulnerable. It promotes food hygiene and helps ensure a safe food supply. It seeks to manage moderate and severe malnutrition, promote breastfeeding, improve access to micronutrient supplements, and implements school feeding. It promotes mother-child nutrition programmes and provides free or low-cost health services to severely affected groups. And it seeks to ensure the continuity of health-care and immunization programmes for children and pregnant women.

The United Nations Development Programme ([UNDP](#)) works with governments and other UN and international agencies to help developing country governments respond to the global food crisis. It helps governments prepare strategies to expand sustainable agricultural production and productivity, and helps design safety nets for the vulnerable. It clarifies issues and policy options to foster informed decision-making, and conducts in-depth analyses on the impact of the crisis at the regional and country levels. It also mobilizes resources to meet those needs.

The UN Conference on Trade and Development ([UNCTAD](#)) helps developing countries, especially the least developed, enhance their food security. It offers assistance in attracting domestic and foreign investment, and in developing sustainable agricultural practices. It helps identify markets for organic agricultural and biotrade products, and promotes the removal of non-tariff barriers. It provides farmers with market information to obtain the best prices for their products. It mobilizes support for new financial instruments to manage risk, reduce transaction costs, and improve access to food. It facilitates smallholder farmers' access to credit for seeds and fertilizer, the streamlining of customs procedures and improved transport logistics.

Within the United Nations Secretariat, the Secretary-General set aside a reserve of \$100 million from the UN's Central Emergency Response Fund a humanitarian fund managed by the UN *Office for the Coordination of Humanitarian Affairs* (OCHA) *on behalf of the wider* humanitarian community. As of September 2008, \$92 million had already been allocated to respond to the most immediate life-saving activities with respect to food security, agriculture, health and nutrition for priority countries.

In addition, the Department of Economic and Social Affairs (DESA) conducts cross-sectoral analysis on the current food crisis. It provides substantive support to intergovernmental meetings on this issue, as well as reports, studies, surveys and updates on various aspects of this issue.